

## **CREDIT-CARD SIGNATURE IS USUALLY ALL THE ID NEEDED**

When you pay for merchandise with a Visa card, MasterCard, or American Express any store that accepts these cards should accept yours too, no questions asked. It's part of the deal that merchants agree to when they become participating members.

They must check your signature and the card - electronically or by telephone - to be sure it's valid. Once the answer comes up yes, they can go ahead and charge. They can't ask you for any further identification - not a license plate number, Social Security number, proof of address, phone number or picture ID.

Your personal ID isn't needed because Visa, MasterCard, and American Express all guarantee payment on cards that have been properly checked. If the issuer mistakenly authorizes a sale on a bad card, it should make good. MasterCard says that merchants receive instant settlement.

Unfortunately, not all merchants play by the rules. Some, apparently, haven't read them.

In one case, a MasterCard was used to purchase gas. Both the clerk and the manager insisted on taking the man's license plate number, even though he told them it wasn't necessary. When the man wrote to the MasterCard complaining about

the incident, he got a letter back suggesting that the merchant was within his rights. "It is the merchant's choice to verify or not verify the card holder," the executive specialist wrote.

WRONG, WRONG, WRONG, says a spokesman for MasterCard headquarters in New York. The contract that MasterCard merchants sign specifically prevents them from asking for personal ID.

The card holder's signature on the back of the card is the only ID necessary - even if the merchant has some reason to be suspicious. "Basically, this clerk was hassling this card holder," the representative said.

You can be asked for ID only if you proffer a card that isn't signed on the back. Then the merchant can ask for identification and require you to sign the card immediately.

A merchant can ask for your address when you order by telephone. There it's used to authorize the card, absent a signature.

## **WHAT YOU CAN DO**

MasterCard wants to hear about merchants who break their rules. Send the name and address and an account of what happened to MasterCard International, c/o Radio City Station, P. O. Box 1288, New York, NY 10101. The merchant's bank will get a stiff letter, ordering it to investigate and bring

the offending store into line - or pay a \$2,000 fine.

Visa enforces the same rules as MasterCard. "When we hear about a violation, we ask the bank that signed the merchant to get together with the merchant and see that the practice is stopped," Visa representative states. To report a merchant, send a letter to the bank that issued your Visa card.

American Express also prohibits merchants from asking for IDs. "All a merchant is supposed to do is take an imprint, make sure the signature matches and swipe the card through the terminal, to get authorization."

## **ANOTHER RULE IGNORED - MUST PURCHASE SO MUCH TO USE CARD**

Another rule that merchants often ignore: They don't let you use a credit card unless your purchases exceed a certain minimum, like \$25. That, too, is prohibited. A store may ignore you when you protest - but now you've got their number. You can report them and let their banks force them back into line.

But American Express does allow the store to set a minimum purchase, as long as the same minimum extends to other cards the merchant takes. (If the store also takes MasterCard and Visa, there's effectively no minimum for anyone.)

The Indiana Department of Financial Institutions,  
Division of Consumer Credit has many other credit  
related brochures available, such as:

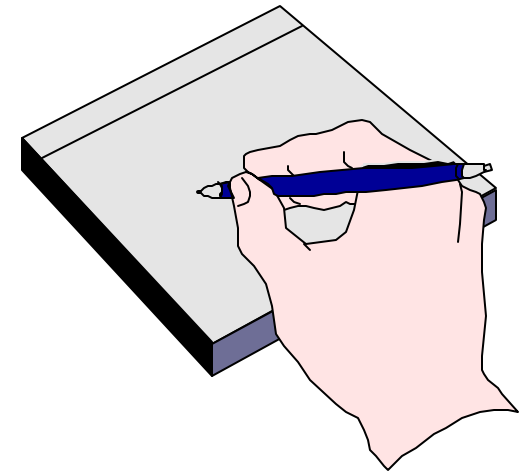
Answers to Credit Problems  
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# Credit-Card Signature - all the ID Needed



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